Annual Housing Report 1984

Metropolitan Toronto Planning Department April 1985

The Municipality of
Metropolitan Toronto

Planning Department

June 27, 1985

TO: MEMBERS OF METROPOLITAN COUNCIL

RE: ADDENDUM TO THE 1984 METROPOLITAN TORONTO ANNUAL HOUSING REPORT

At its meeting of May 30, 1985, the Community Services and Housing Committee requested that I prepare an addendum to the Annual Housing Report indicating the number of residential demolitions which have occurred in each of the area municipalities.

For your information, the relevant data is enclosed and will be included with the remaining reports available in the Planning Department.

R.J. Bower
Commissioner of Planning

EAG/cf

ADDENDUM

The following tables indicate the number of residential demolitions by unit type which occurred in each of the area municipalities of Metropolitan Toronto between 1966 and 1984.

METROPOLITAN TORONTO RESIDENTIAL DEMOLITIONS
1966 - 1984

	TYPE				
	Single	Double	Row	Apt.	Total
1966	671	406	-	414	1,491*
1967	784	307	219	284	1,594
1968	942	263	143	187	1,535
1969	876	292	129	167	1,464
1970	439	257	54	144	894*
Average/Year 1966-1970	742	305	109	239	1,396
1971	501	156	48	105	810*
1972	414	125	39	101	679*
1973	528	112	91	66	797
1974	586	54	17	47	704
1975	463	10	6	35	514
Average/Year 1971-1975	498	91	40	71	701
1976	508	0	5	108	621
1977	501	1	12	35	549
1978	522	0	9	22	553
1979	361	28	7	125	521
1980	198	0	-	102	300
Average/Year 1976-1980	418	6	7	78	509
1981	335	-	-	235	570
1982	387	2	1	173	563
1983	321	-	4	162	487
1984	348	-	-	78	426
Average/Year 1981-1984	348	1	1	162	512
TOTAL 1966 to 1984	**9,685**	**2,013**	**784**	**2,590**	**15,069**

* info N/A for City of North York

Source: Statistics Canada

Metropolitan Toronto Planning Department
Research Division June 1985

BOROUGH OF EAST YORK RESIDENTIAL DEMOLITIONS
1966 - 1984

	TYPE				
	Single	Double	Row	Apt.	Total
1966	65	-	-	4	69
1967	69	6	-	-	75
1968	52	-	-	-	52
1969	60	2	-	-	62
1970	20	2	-	-	22
Average/Year 1966-1970	53	2	0	1	56
1971	77	-	-	-	77
1972	30	-	-	-	30
1973	28	-	-	-	28
1974	32	2	-	-	34
1975	37	-	-	-	37
Average/Year 1971-1975	41	0	0	0	41
1976	27	-	-	16	43
1977	30	-	-	-	30
1978	16	-	-	-	16
1979	11	-	-	-	11
1980	13	-	-	-	13
Average/Year 1976-1980	20	0	0	3	23
1981	14	-	-	126	140
1982	19	-	-	-	19
1983	15	-	-	-	15
1984	14	-	-	-	14
Average/Year 1981-1984	16	0	0	32	47
TOTAL 1966-1984	**629**	**12**	**0**	**146**	**787**

Source: Statistics Canada

Metropolitan Toronto Planning Department
Research Division June 1985

CITY OF TORONTO RESIDENTIAL DEMOLITIONS
1966 - 1984

	TYPE				
	Single	Double	Row	Apt.	Total
1966	394	406	-	411	1,211
1967	375	286	219	283	1,163
1968	434	259	143	179	1,015
1969	235	266	129	162	792
1970	199	242	54	135	630
Average/Year 1966-1970	327	292	109	234	962
1971	132	142	43	97	414
1972	144	123	39	101	407
1973	159	112	52	66	389
1974	99	52	17	47	215
1975	112	8	6	35	161
Average/Year 1971-1975	129	87	31	69	317
1976	56	-	5	75	136
1977	9	-	12	34	55
1978	39	-	9	11	59
1979	56	28	6	125	215
1980	21	-	-	49	70
Average/Year 1976-1980	36	6	6	59	107
1981	26	-	-	9	35
1982	95	-	1	133	229
1983	32	-	4	11	47
1984	39	-	-	26	65
Average/Year 1981-1984	48	0	1	45	94
TOTAL 1966-1984	**2,656**	**1,924**	**739**	**1,989**	**7,308**

Source: Statistics Canada

Metropolitan Toronto Planning Department
Research Division June 1985

CITY OF YORK RESIDENTIAL DEMOLITIONS
1966 - 1984

	TYPE				
	Single	Double	Row	Apt.	Total
1966	62	-	-	-	62
1967	149	-	-	-	149
1968	116	-	-	-	116
1969	246	10	-	2	258
1970	55	-	-	-	55
Average/Year 1966-1970	126	2	0	0	128
1971	91	1	-	-	92
1972	90	-	-	-	90
1973	72	-	-	-	72
1974	99	-	-	-	99
1975	56	2	-	-	58
Average/Year 1971-1975	82	0	0	0	82
1976	45	-	-	1	46
1977	50	-	-	-	50
1978	36	-	-	-	36
1979	47	-	-	-	47
1980	29	-	-	53	82
Average/Year 1976-1980	41	0	0	11	52
1981	35	-	-	100	135
1982	18	-	-	-	18
1983	37	-	-	-	37
1984	36	-	-	-	36
Average/Year 1981-1984	32	0	0	25	57
TOTAL 1966-1984	**1,369**	**15**	**0**	**156**	**1,540**

Source: Statistics Canada

Metropolitan Toronto Planning Department
Research Division June 1985

CITY OF ETOBICOKE RESIDENTIAL DEMOLITIONS
1966 - 1984

	TYPE				
	Single	Double	Row	Apt.	Total
1966	75	-	-	-	75
1967	90	-	-	-	90
1968	143	4	-	8	155
1969	178	-	-	3	181
1970	91	2	-	9	102
Average/Year 1966-1970	90	1	0	4	121
1971	113	-	-	3	116
1972	68	-	-	-	68
1973	97	-	-	-	97
1974	98	-	-	-	98
1975	94	-	-	-	94
Average/Year 1971-1975	94	0	0	0	95
1976	114	-	-	-	114
1977	127	-	-	-	127
1978	101	-	1	1	103
1979	35	-	-	-	35
1980	54	-	-	-	54
Average/Year 1976-1980	86	0	0	0	87
1981	58	-	-	-	58
1982	56	2	-	4	62
1983	42	-	-	-	42
1984	50	-	-	-	50
Average/Year 1981-1984	52	0	0	1	53
TOTAL 1966-1984	**1,684**	**8**	**1**	**28**	**1,721**

Source: Statistics Canada

Metropolitan Toronto Planning Department
Research Division June 1985

CITY OF NORTH YORK RESIDENTIAL DEMOLITIONS
1966 - 1984

	TYPE				
	Single	Double	Row	Apt.	Total
1966					N/A
1967	2	-	-	-	2
1968	87	-	-	-	87
1969	74	-	-	-	74
1970					N/A
Average/Year 1967-1969	54	0	0	0	54
1971					N/A
1972					N/A
1973	122	-	39	-	161
1974	165	-	-	-	165
1975	106	-	-	-	106
Average/Year 1973-1975	131	0	13	0	144
1976	134	-	-	16	150
1977	129	1	-	1	131
1978	189	-	-	10	199
1979	110	-	-	-	110
1980	30	-	-	-	30
Average/Year 1976-1980	118	0	0	5	123
1981	109	-	-	-	109
1982	162	-	-	36	198
1983	149	-	-	151	300
1984	140	-	-	52	192
Average/Year 1981-1984	140	0	0	60	200
TOTAL 1966-1984	**1,708**	**1**	**39**	**266**	**2,014**

Source: Statistics Canada

Metropolitan Toronto Planning Department
Research Division June 1985

CITY OF SCARBOROUGH RESIDENTIAL DEMOLITIONS
1966 - 1984

	TYPE				
	Single	Double	Row	Apt.	Total
1966	75	-	-	-	75
1967	99	15	-	1	115
1968	110	-	-	-	110
1969	83	14	-	-	97
1970	74	11	-	-	85
Average/Year 1966-1970	88	8	0	0	96
1971	88	13	5	5	111
1972	82	2	-	-	84
1973	50	-	-	-	50
1974	93	-	-	-	93
1975	58	-	-	-	58
Average/Year 1971-1975	74	3	1	1	79
1976	132	-	-	-	132
1977	156	-	-	-	156
1978	141	-	-	-	141
1979	102	-	-	-	102
1980	51	-	-	-	51
Average/Year 1976-1980	116	0	0	0	116
1981	93	-	-	-	93
1982	37	-	-	-	37
1983	47	-	-	-	47
1984	68	-	-	-	68
Average/Year 1981-1984	61	0	0	0	61
TOTAL 1966-1984	**1,639**	**55**	**5**	**6**	**1,705**

Source: Statistics Canada

Metropolitan Toronto Planning Department
Research Division June 1985

The Municipality of
Metropolitan Toronto

Planning Department

April 24, 1985

TO: THE ECONOMIC DEVELOPMENT AND PLANNING COMMITTEE

RE: METROPOLITAN TORONTO ANNUAL HOUSING REPORT: 1984

Attached for your consideration are the Metropolitan Toronto Annual Housing Report: 1984 and an Executive Summary. Section 7.C of the Official Plan requires this Department to report annually its assessment of the housing market; this report is in response to that directive.

At its meeting of February 29, 1984, the Economic Development and Planning Committee directed that "Metropolitan Planning Staff, during preparation of the 1984 Annual Housing Report, explore the possibility of elaborating on the analysis to include the issue of second mortgages and providing a breakdown of the number of houses that are bought and sold which have been bought by first time buyers". Data relevant to the Committee's request was sought from several major lending institutions, private research firms and concerned agencies. Unfortunately, it was determined none of the consulted parties collects or maintains the information necessary. Therefore, no second mortgage or first time buyers information data is contained in the report.

Recommendation

(1) That the Economic Development and Planning Committee receive the Metropolitan Toronto Annual Housing Report: 1984 as information and the Planning Department be authorized to distribute the report to Area Municipal Planning Departments and agencies which have contributed to its preparation, and the Planning Department be further authorized to sell additional copies for $5.00 each; and

(2) that the report and Executive Summary be forwarded to Members of Council for their information.

R.J. Bower
Commissioner of Planning

GMP/cf

THE METROPOLITAN ANNUAL HOUSING REPORT, 1984

EXECUTIVE SUMMARY

1.0 INTRODUCTION

The housing sector represents a complex interplay between private initiative, market demand and government intervention. Due to its ability to respond quickly to changes in economic activity and to stimulate employment in both construction and manufacturing, programs designed to enhance new residential unit production figure prominantly in efforts by the senior levels of government to bolster the economy.

The Metropolitan Annual Housing Report is designed to provide Council with an overview of recent housing activity in the municipality and to identify any significant trends which are occurring.

2.0 GOVERNMENT INCENTIVE PROGRAMS

The number of programs designed to stimulate housing production and level of funding for such programs was at its lowest level since the early '70's.

The only incentive program for ownership housing in effect in 1984 was the provision which allowed first time homebuyers of new housing built between April 1983 and December 31, 1984, to "top-up" their Registered Home Ownership Savings Plan to $10 000. Purchasers were required to occupy the house by March, 1985. This program did have some effect in stimulating construction but was less successful than the outright grants available in the previous year.

The Canada Rental Supply Plan which provided 15-year interest free loans to developers was phased out during 1984. Under this program 1 831 rental units were constructed in Metro, of which 300 came on stream in 1984 and a further 716 received approval and are expected to be constructed this year. Developers are required to retain the units in

the rental market for five years. To date, application for condominium status have been received for 1 300 or 72% of the units constructed in Metro.

A somewhat analogous program, the Canada/Ontario Rental Supply Plan, was introduced in 1984. This program places a ceiling on rents which may be charged ($600 for a 1-bedroom unit) and to date 1 144 units have been funded in Metro.

Of particular interest to Metropolitan Toronto was the Metropolitan Toronto Rental Assistance Plan for Single Persons Housing which offered interest free loans of up to $12 000 per unit to permit construction of small units for single persons designed to rent in the $300 per month range. The introduction of this program was a direct result of the recommendations of the Metropolitan Task Force on Housing for Low Income Single People. A total of 439 units have been approved, all in the City of Toronto. Construction will begin in 1985.

The three provincial programs in effect in 1984 were essentially pilot projects and produced relatively few new or rehabilitated units. However, the intent of creating additional units in the single family stock (Add-a-Unit), encouraging the conversion of non-residential buildings for residential use (Convert-to-Rent) and rehabilitating older rental stock (Conserve-a-Unit) are initiatives which should be pursued in a mature, urban area such as Metropolitan Toronto.

Comparison of the rate of rental unit completions and the number of units funded by the various incentive programs indicates that virtually no rental units are being produced without assistance from the senior levels of government.

3.0 HOUSING ACTIVITY IN 1984

Both unit starts and completions in Metropolitan Toronto declined during 1984 to the lowest level in the last 15 years. The level of starts (just

under 6 000, of which 51% were ground related units) is of particular concern because it implies a sharp reduction in the number of units coming on stream in 1985. Only a high level of starts of ground related units early this year could alter that supposition as that type of unit could be on the market within a relatively short time. Unit completions in Metropolitan Toronto last year amounted to about 8 300 units, about 2 700 below that of 1983. Of this number 3 425 units (70% ground related) were in Scarborough and 2 060 in Toronto (92% apartments).

The four regional municipalities surrounding Metropolitan Toronto (Peel, York, Durham and Halton) fared somewhat better. The 15 625 starts, of which 91% were ground related units, were 2 000 below the previous year. In the regional municipalities completions increased by 600 units over the previous year to 17 926 units, 78% of which were ground related.

A shift in housing production in the Toronto region has occurred over the last 15 years. The most evident trend has been a gradual decline in the proportion of apartment units in favour of ground related units, increasingly detached single family houses. Due to the steady decline in the availability of vacant land in Metropolitan Toronto, production activity has moved to the surrounding regions. The underlying factors in this trend include the decreased viability of apartment development due to the imposition of rent controls and high interest rates, coupled with a demand for ground related housing as the "baby boomers" continued to enter the family formation years. Attempts to provide more ground related units by reduction in minimum lot size requirements and the availability of housing incentive programs primarily for apartment units, have not been able to offset the impact of availability of large tracts of vacant land in the surrounding regions.

4.0 RENTAL HOUSING MARKET

Vacancy rates in rental accommodation continued to decline during 1984 and by year end was less than 1.0% in the entire Census Metropolitan

Area (C.M.A.) Within Metropolitan Toronto the average vacancy rate was 0.4%; the City of Toronto had the highest rate at 0.6% In the C.M.A. only Brampton had a vacancy rate over 3.0% (the level suggested as necessary for the operation of a healthy housing market), followed by Mississauga at 1.7%. Both municipalities have benefitted from various construction incentive programs of the senior governments.

Despite the tight market, rent increases averaged 5.0%, in line with provincial guidelines, and increases granted by the Residential Tenancy Commission averaged 9.82%, almost 4% below the previous year.

Rental housing starts in Metropolitan Toronto declined to 2191 (down from 4 491 in 1983) of which 1 414 were social housing units, reflecting the reduction in senior government incentive programs last year. Rental completions provided 4 132 units, almost equally split between private rental and social housing, down from 4 944 the previous year.

Of the social housing units which came on stream in 1984, only 700 were allocated as Rent-Geared-to-Income Units (160 senior and 540 family). This is considerably below the annual average unit targets adopted by Metropolitan Council last year (600 senior units and 1 400 family units per annum). It is evident that a higher level of production will be required over the next four years if the five-year targets are to be met.

While the waiting lists for assisted housing remained relatively unchanged (13 497 in December, 1984 vs. 13 517 in 1983), the decline in social housing starts suggest that fewer people will be housed this year and the high level of demand will remain.

5.0 OWNERSHIP MARKET

Resale activity remained high in 1984 with 31 905 sales recorded by the Toronto Real Estate Board. Continued consumer confidence in 1984 can be attributed to the relative stability of prices (an increase of 0.7% over the year in Metro), continued moderation in interest rates

(predominantly in the 12% range), flexibility in mortgage plans and the reduced rate of inflation. The average resale house price in Metropolitan Toronto was $102 318 and the median was $88 000.

Condominium units represent about 20-25% of the ownership housing market in the Toronto area. While the average condominium apartment is priced at $71 470 and row houses at $62 695 it is estimated that about one-third of condominiums sell for $50 000 to $60 000. This form of tenure has made home ownership available to a larger segment of the population.

6.0 CONCLUSIONS

The shift in emphasis from apartment to ground related (primarily single family detached) housing has been a trend in the Toronto Region for the last decade. The demand for family housing puts Metropolitan Toronto at a disadvantage in relation to the rest of the region due to the increasing scarcity of vacant land available for development in this municipality. The demand for ground related housing is expected to continue into the 1990's until the "baby boomers" have moved through the family formation stage.

The decline in the number and proportion of rental apartment units produced in 1984 does not relate to a decline in demand (as indicated by the low vacancy rate) but to the reduced economic viability of new units in the rental market. Government incentive programs, particularly those geared to the private rental market, have had limited success in producing adequate numbers of well targetted units. The dual problems of the movement to surrounding regions of the housing market in response to the demand for ground related units, coupled with the difficulty of meeting demand for rental accommodation within Metropolitan Toronto are unlikely to be resolved in the near future.

In order to ensure the efficient use of existing infrastructure in Metropolitan Toronto and the availability of a supply of housing which

meets market demand various measures will be required. These include the increased targetting of ownership housing (particularly medium and higher density condominiums) to specific market groups based on emerging demographic trends; more funds should be made available for subsidy programs from senior levels of government to provide housing for those not able to complete in the prevailing rental market; incentives from all levels of government to encourage the more efficient use and rehabilitation of existing stock for both the rental and ownership markets; and, the encouragement of moderate density infill housing suitable for families, not only in the older urban area but also in the post-war suburbs.

There are indications that private industry is beginning to respond to these more specialized demands. The three levels of government must equally examine their own ability to respond to the more complex housing market of the 1980's.

METROPOLITAN TORONTO

ANNUAL HOUSING REPORT

1984

Metropolitan Toronto Planning Department

MAY, 1985

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1.0 INTRODUCTION

In 1983 the Municipality of Metropolitan Toronto was the place of residence for a population of some 2 125 000 persons - a figure which has remained relatively constant for a decade. A major drop in the average number of persons per households is now a long term trend from the mid-1970's, requiring that many new dwellings be constructed annually to house the same number of persons within our borders. The cost, type and location of that housing continues as a major issue of social and economic significance, impacting on the life of many in our community. To provide a consistent record of data relevant to the housing of its population, the Metropolitan Official Plan requires an annual report in the form of an assessment of the housing market (Section 7.C). The annual report is descriptive of activity in housing in a one year period, providing a comparison with the previous year and sometimes a longer history. Because the time span is short, such a report by itself cannot be the basis for long term policies. But it sets out a review which permits concerned officials and the public to analyse certain statistics and view our community's efforts to be better housed.

This report assembles data on the following aspects of the housing market:

- starts and completions by dwelling type,
- subdivision and condominium activity,
- the resale housing market,
- mortgages,
- government programs,
- affordability of ownership,
- the rental market, and
- social housing.

While concentrating on Metropolitan Toronto and its constituent municipalities as geographic units, the report also provides some data concerning the larger area of the "Toronto Region" including the Regions of Halton, Peel, York and Durham. This broader base allows a fuller understanding of a growing region whose centre (i.e., Metropolitan

Toronto) is largely developed and most subject to redevelopment pressures, issues of conservation and social housing, and an ownership market dominated by resale houses and condominiums.

The Metropolitan Toronto Annual Housing Report: 1984 assembles annually under one cover statistical information with certain analysis, comment and conclusion thereon for the year's activity and as such is a valuable tool in the understanding and formulation of housing policy.

2.0 HOUSING ACTIVITY

2.1 Starts in the Metropolitan Region

Both starts and completions in Metropolitan Toronto during 1984 were below the previous year's figures, continuing the decline that has been evident since 1981 (Table 1).

The level of starts, just under 6 000 units, represents a considerable drop, even below the performance of recent years and is 38% below the level of the previous year. Starts of both ground related and apartment units declined. This reflected the phasing out of the incentive grants for home ownership as well as a declin[illegible]n funding for private and social rental housing. Among [illegible]ed units, the continued shift in preference to single fam[illegible]l housing resulted in starts of those unit types exceeding the average of the 1979-82 period.

Apartment starts in Metro decreased to 2 900 in 1984, the lowest level of the past six years. This is primarily due to the lack of government programs to stimulate construction, particularly in the private sector. Clayton Research Associates suggest that rental construction is no longer a viable proposition without government incentives (Financial Post, March 3, 1984, page 29). Their comment is in the context of rent controls and high interest rates. Apartment activity will be examined in greater detail later in this report.

Four of the six area municipalities in Metro experienced decreases in housing starts; only York and East York experienced an increase primarily as a result of social housing starts. In the City of Toronto the decrease was primarily in apartment starts which totalled approximately 1 200 units. Etobicoke, North York and Scarborough experienced similar decreases in apartment starts but also had slight decreases in ground related housing. The 2 700 starts in Scarborough was 1 900 units below the previous year. This represents 1 000 fewer apartment starts and 900 fewer singles. Scarborough remains the only municipality in Metro with appreciable amounts of vacant residential land. However, the steady

Table 1:

HOUSING STARTS AND COMPLETIONS IN METROPOLITAN TORONTO

1983 and 1984

		STARTS					COMPLETIONS				
		Singles	Semis	Row	Apt.	Total	Singles	Semis	Row	Apt.	Total
Toronto	1983	78 (3%)	44 (2%)	82 (3%)	2 414 (92%)	2 618 (100%)	56 (2%)	34 (1%)	133 (5%)	2 211 (91%)	2 434 (100%)
	1984	88 (6%)	106 (7%)	77 (5%)	1 233 (82%)	1 504 (100%)	82 (4%)	66 (3%)	8 (0.5%)	1 906 (92%)	2 062 (100%)
East York	1983	17 (89%)	2 (11%)	0	0	19 (100%)	17 (11%)	2 (1%)	0	131 (87%)	150 (100%)
	1984	19 (6%)	0	0	254 (94%)	273 (100%)	18 (90%)	2 (10%)	0	0	20 (100%)
York	1983	15 (43%)	20 (57%)	0	0	35 (100%)	10 (2%)	18 (3%)	0	578 (95%)	606 (100%)
	1984	19 (9%)	14 (7%)	0	167 (84%)	200 (100%)	26 (48%)	26 (48%)	0	2 (2%)	54 (100%)
Etobicoke	1983	235 (22%)	12 (1%)	14 (1%)	809 (76%)	1 070 (100%)	453 (91%)	12 (2%)	14 (3%)	18 (4%)	497 (100%)
	1984	100 (23%)	0	0	323 (77%)	423 (100%)	118 (13%)	2 (0.5%)	0	809 (87%)	929 (100%)
North York	1983	240 (19%)	82 (6%)	17 (1%)	923 (74%)	1 262 (100%)	190 (10%)	114 (6%)	0	1 666 (84%)	1 970 (100%)
	1984	215 (24%)	8 (1%)	47 (5%)	593 (70%)	863 (100%)	194 (11%)	2 (0.5%)	64 (3.5%)	1 534 (85%)	1 794 (100%)
Scarborough	1983	2 974 (66%)	6 (1%)	264 (6%)	1 295 (28%)	4 539 (100%)	2 871 (54%)	18 (1%)	456 (8%)	2 011 (37%)	5 356 (100%)
	1984	2 050 (78%)	14 (0.5%)	261 (10%)	311 (12%)	2 636 (100%)	2 165 (63%)	5 (0.1%)	169 (5%)	1 087 (32%)	3 425 (100%)
Metropolitan Toronto	1983	3 559 (37%)	166 (2%)	377 (4%)	5 441 (57%)	9 543 (100%)	3 597 (33%)	198 (2%)	603 (5%)	6 615 (60%)	11 013 (100%)
	1984	2 491 (42%)	142 (2%)	385 (7%)	2 881 (49%)	5 899 (100%)	2 603 (31%)	102 (1%)	241 (3%)	5 338 (64%)	8 284 (100%)

Source: C.M.H.C., Toronto Office

decline in its availability and increase in lot prices is tending to reinforce the attractiveness of the four adjacent regions as the location for new single family housing.

Table 2 indicates starts and completions for 1983 and 1984 in the four adjacent regional municipalities (i.e., Halton, Peel, York and Durham) and the Toronto region, including Metropolitan Toronto. The decrease in unit starts in the four regions over the last two years (from 17 618 in 1983 to 15 625 in 1984) was relatively small and was mainly due to a decline in apartment starts in Peel. This was the first time since the 1970's that Peel has not registered the highest number of starts of the four regions. Ground related starts in Peel showed only slight changes in that singles were down by 240 units, while semi-detached and row houses gained 34 units. Activity in the other three regional municipalities was relatively stable; Durham registered an increase of almost 500 starts, spread across all housing types.

It is difficult to determine an accurate relationship between housing starts in one year and completions in subsequent years. A number of factors enter into this. For instance, government programs for ownership housing available at the beginning of the year will result in large numbers of grade related unit starts which are ready for occupancy within the same year. In part, this reflects the comparative ease of construction and the marketing expertise of the home builder and developer. On the other hand, incentive programs for rental units are frequently tied to starts. Having assured compliance with the grant program, construction of the building may not proceed immediately in order to allow for take-up of units already on the market. This factor is evident in relation to the C.R.S.P. program, under which units are still coming on stream despite discontinuance of the program. Even given these uncertainties it is highly probable that completion in Metropolitan Toronto in 1985 will be below the averages of recent years. This is something of an anomaly, given the relative moderation and stability of mortgage interest rates as well as the low rate of inflation.

Table 2: HOUSING STARTS AND COMPLETIONS IN THE 'FOUR' SURROUNDING REGIONS, METROPOLITAN TORONTO AND THE TORONTO REGION

1983 and 1984

		STARTS					COMPLETIONS				
		Singles	Semis	Row	Apt.	Total	Singles	Semis	Row	Apt.	Total
Peel	1983	4 198 (57%)	36 (0.5%)	107 (1.5%)	2 967 (41%)	7 308 (100%)	4 374 (65%)	376 (6%)	331 (5%)	1 621 (24%)	6 702 (100%)
	1984	3 958 (80%)	10 (0.2%)	167 (3%)	830 (17%)	4 965 (100%)	3 969 (54%)	34 (0.4%)	188 (2.5%)	3 102 (43%)	7 293 (100%)
York	1983	5 398 (92%)	90 (2%)	300 (5%)	85 (1%)	5 873 (100%)	5 071 (95%)	206 (4%)	14 (1%)	61 (1%)	5 352 (100%)
	1984	5 659 (94%)	12 (0.1%)	206 (3%)	149 (3%)	6 026 (100%)	5 498 (90%)	12 (0.2%)	385 (6%)	191 (3%)	6 086 (100%)
Durham	1983	2 295 (75%)	157 (5%)	345 (11%)	291 (9%)	3 088 (100%)	2 440 (65%)	285 (8%)	276 (7%)	760 (20%)	3 761 (100%)
	1984	2 372 (84%)	10 (0.4%)	130 (5%)	307 (11%)	2 819 (100%)	2 181 (73%)	36 (1%)	225 (8%)	536 (18%)	2 978 (100%)
Halton	1983	1 117 (83%)	34 (2%)	198 (15%)	0 -	1 349 (100%)	1 152 (73%)	56 (3%)	127 (8%)	249 (16%)	1 584 (100%)
	1984	1 181 (65%)	78 (4%)	373 (21%)	183 (10%)	1 815 (100%)	1 062 (68%)	46 (3%)	352 (22%)	109 (7%)	1 569 (100%)
4 Regions	1983	13 008 (74%)	317 (2%)	950 (5%)	3 343 (19%)	17 618 (100%)	13 037 (75%)	923 (5%)	748 (4%)	2 691 (16%)	17 399 (100%)
	1984	13 170 (84%)	110 (0.7%)	876 (6%)	1 469 (9%)	15 625 (100%)	12 710 (71%)	128 (0.7%)	1 150 (6%)	3 938 (22%)	17 926 (100%)
Metro Toronto	1983	3 359 (37%)	166 (2%)	377 (4%)	5 441 (57%)	9 343 (100%)	3 597 (33%)	198 (2%)	603 (5%)	6 615 (60%)	11 013 (100%)
	1984	2 491 (42%)	142 (2%)	385 (7%)	2 881 (49%)	5 899 (100%)	2 603 (31%)	102 (1%)	241 (3%)	5 338 (64%)	8 284 (100%)
Toronto Region	1983	16 567 (61%)	483 (2%)	1 327 (5%)	8 784 (32%)	27 161 (100%)	16 634 (59%)	1 121 (4%)	1 351 (5%)	9 306 (32%)	28 412 (100%)
	1984	15 661 (73%)	252 (1%)	1 261 (6%)	4 350 (20%)	21 524 (100%)	15 313 (58%)	230 (1%)	1 391 (5%)	9 276 (35%)	26 210 (100%)

Source: C.M.H.C., Ontario Region

2.2 Unit Completions in the Toronto Region

Since 1971 a number of shifts in housing production in the Toronto region have been evident. (See Tables 3 and 4.) Until 1975 completions in Metropolitan Toronto were consistently higher than the total of the four surrounding regions. This was primarily due to high levels of apartment construction which averaged 74% of production between 1971-1975 although the availability of vacant land for subdivision development of private dwellings was also a factor. Since that time there has been a steady decline in apartment unit completions which was more marked in Metropolitan Toronto than in the regions. In addition, the regional municipalities were in a better position than Metro to respond to the demand for ground related units. Since 1976 total completions in the four regions have consistently exceeded that in Metropolitan Toronto. Figure 1 illustrates completions for Metro, the four regions and the Toronto region since 1971.

A number of reasons have been given for the decline in the number and proportion of apartment unit production. These include rent controls and the high and fluctuating mortgage interest rates, both of which began in the mid-seventies. Reinforcing this was the increased demand for ownership housing as the "baby boomers" entered the family formation stage, and at the same time frequently vacated an apartment.

Changes have also occurred in the relative distribution of ground related units by type. There has been increasing emphasis on the production of single family detached units. This has occurred to some extent in Metro but to a greater extent in the surrounding regional municipalities. A number of inter-related factors account for this shift. Owning a detached house appears to be a traditional goal of Canadian society. However, in the 1970's this was tempered to some extent by increasing land costs and particularly by the introduction of the federal Assisted Home Ownership Program (as well as several provincial support programs) which made ownership of more modest units more desirable and accessible to a wider population. The failure of A.H.O.P. brought about by a sudden rise in interest rates tended to reduce the perceived

COMPLETIONS BY UNIT TYPE AND AREA MUNICIPALITY
METROPOLITAN TORONTO 1971-1983

	1971	1972	1973	1974	1975	1971-1975 Average	(%)	1976	1977	1978	1979	1980	1976-1980 Average	(%)	1981	1982	1983	1981-1983 Average	(%)
Toronto																			
Single	66	74	49	50	30	54	(1)	47	33	52	60	30	44	(1)	46	62	56	55	(2)
Semi	68	117	98	146	70	100	(3)	66	76	104	132	104	96	(3)	196	162	34	130	(5)
Row	14	3	97	138	199	90	(3)	89	171	362	447	662	346	(12)	416	290	133	280	(11)
Apartment	3 785	4 846	1 755	4 808	1 001	3 239	(93)	2 457	1 002	3 131	2 578	3 264	2 486	(84)	1 825	2 362	2 211	2 133	(82)
Total	3 923	5 040	1 999	5 142	1 300	3 483 (17)	(100)	2 659	1 282	3 649	3 217	4 060	2 972 (21)	(100)	2 483	2 876	2 434	2 598 (27)	(100)
York																			
Single	24	42	65	44	28	41	(5)	37	26	30	35	22	30	(5)	23	20	10	18	(3)
Semi	8	10	14	8	24	13	(2)	6	8	22	62	14	22	(4)	24	84	18	42	(7)
Row	-	-	-	-	5	-		-	-	-	-	-	-		177	-	-	59	(10)
Apartment	390	1 362	999	980	342	815	(93)	1 274	503	560	273	-	522	(91)	432	420	578	477	(80)
Total	422	1 414	1 078	1 032	399	869 (4)	(100)	1 317	537	612	370	36	574 (4)	(100)	656	524	606	596 (6)	(100)
East York																			
Single	6	10	22	19	15	14	(1)	25	44	28	33	30	32	(29)	26	19	17	21	(33)
Semi	4	16	14	-	4	8	(1)	2	6	16	8	-	6	(5)	-	2	2	1	
Row	-	80	32	45	24	36	(3)	6	10	5	25	-	9	(8)	-	-	-	0	
Apartment	1 870	2 137	1 035	4	295	1 068	(95)	219	2	-	111	-	66	(59)		-	131	44	(67)
Total	1 880	2 243	1 103	68	338	1 126 (5)	(100)	252	62	49	177	30	113 (1)	(100)	26	21	150	66 (1)	(100)
Etobicoke																			
Single	233	514	263	123	171	261	(8)	281	531	155	248	417	334	(17)	915	793	453	720	(65)
Semi	97	133	40	64	86	84	(3)	136	68	50	50	206	102	(5)	46	72	12	43	(4)
Row	147	107	134	186	131	141	(4)	64	92	282	53	243	147	(8)	10	12	14	12	(1)
Apartment	2 615	2 467	2 032	4 544	1 909	2 713	(85)	1 519	2 002	980	1 281	1 113	1 379	(70)	161	814	18	331	(30)
Total	3 092	3 221	2 469	4 917	2 297	3 199 (15)	(100)	2 000	2 693	1 507	1 632	1 979	1 962 (14)	(100)	1 132	1 691	497	1 106 (12)	(100)
North York																			
Single	856	1 013	933	409	426	727	(11)	327	368	353	340	466	377	(13)	443	326	190	320	(17)
Semi	833	1 446	950	501	158	778	(12)	20	90	108	266	166	130	(5)	536	366	114	339	(18)
Row	575	535	337	1 610	476	707	(11)	526	362	275	107	238	301	(10)	63	57	-	40	(2)
Apartment	1 876	7 970	3 249	5 392	3 734	4 444	(66)	2 957	1 626	1 333	2 595	1 960	2 094	(72)	1 071	820	1 666	1 186	(63)
Total	4 140	10 964	5 469	7 912	4 794	6 656 (32)	(100)	3 830	2 446	2 099	3 309	2 826	2 902 (21)	(100)	2 113	1 569	1 970	1 885 (20)	(100)
Scarborough																			
Single	788	1 303	997	764	970	964	(17)	1 336	386	673	1 477	1 445	1 063	(20)	1 010	715	2 871	1 531	(47)
Semi	287	573	596	321	604	476	(8)	950	830	984	674	862	860	(16)	370	248	18	212	(7)
Row	352	639	920	1 254	1 243	882	(16)	1 117	900	2 018	1 086	747	1 174	(22)	483	650	456	530	(16)
Apartment	2 781	2 787	5 154	3 369	2 492	3 317	(59)	1 356	2 632	3 331	2 009	1 873	2 250	(42)	570	337	2 011	972	(30)
Total	4 208	5 302	7 667	5 708	5 309	5 639 (27)	(100)	4 759	4 798	7 006	5 246	4 927	5 347 (39)	(100)	2 433	1 950	5 356	3 245 (34)	(100)
Metro Toronto																			
Single	1 963	2 956	2 329	1 409	1 640	2 059	(10)	2 053	1 388	1 361	2 193	2 410	1 881	(13)	2 463	1 935	3 597	2 665	(28)
Semi	1 297	2 295	1 712	1 040	946	1 459	(7)	1 180	1 078	1 284	1 192	1 352	1 216	(9)	1 172	934	198	768	(8)
Row	1 088	1 364	1 520	3 232	2 078	1 856	(9)	2 020	1 535	2 942	1 718	1 886	1 977	(14)	1 149	1 009	603	920	(10)
Apartment	13 317	21 569	14 224	19 097	9 773	15 596	(74)	9 516	7 817	9 335	8 847	3 210	8 797	(63)	4 059	4 753	6 615	5 142	(54)
Total	17 665	28 184	19 785	24 778	14 437	20 970 (100)	(100)	14 769	11 818	14 992	13 950	13 858	13 871 (100)	(100)	8 843	8 631	11 013	9 495 (100)	(100)

Source: C.M.H.C., Toronto Office

Table 4:

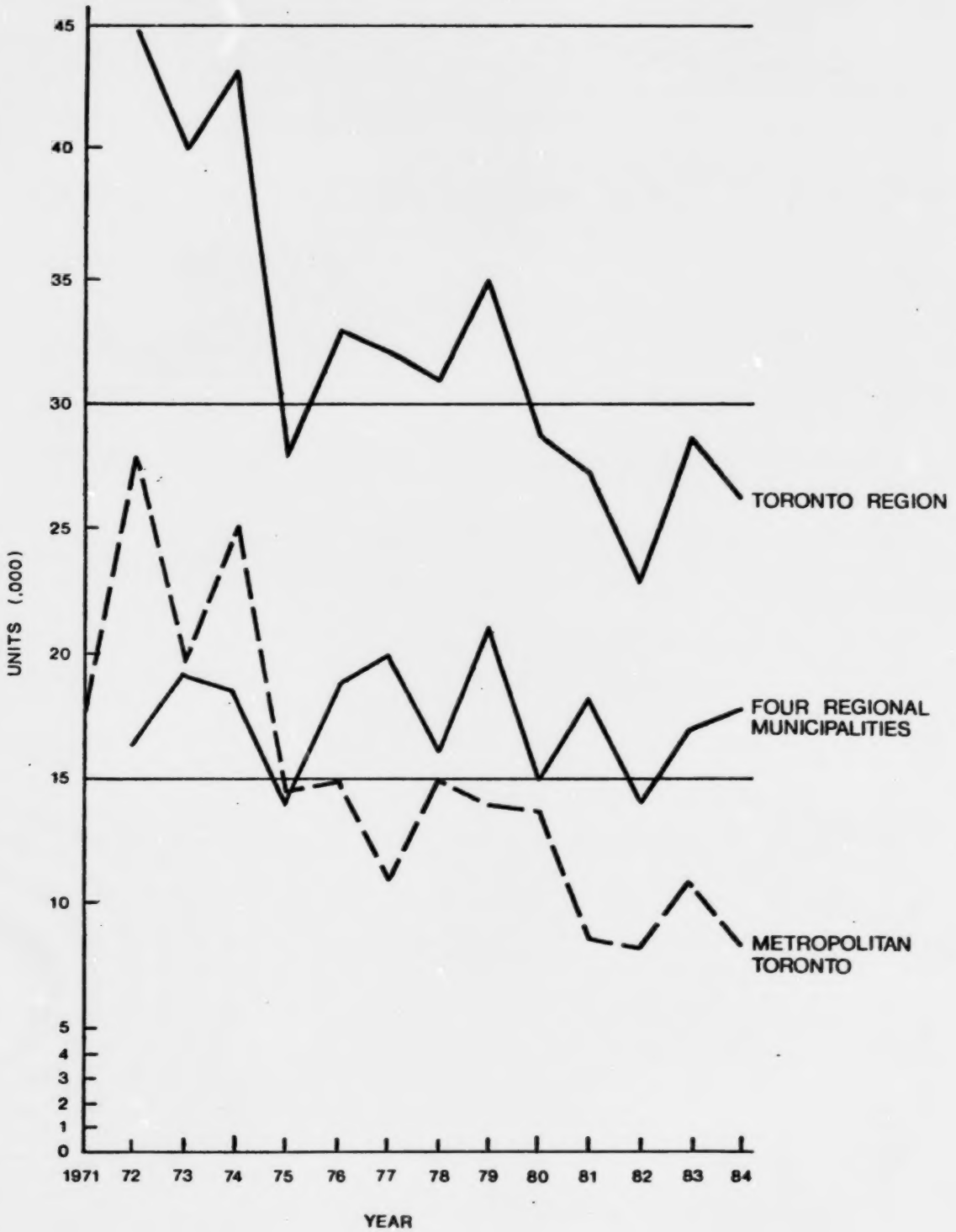
COMPLETIONS BY TYPE FOR FOUR REGIONAL MUNICIPALITIES AND METROPOLITAN REGION 1971-1983

	1971	1972	1973	1974	1975	1971-1975 Average	(%)	1976	1977	1978	1979	1980	1976-1980 Average	(%)	1981	1982	1983	1981-1983 Average	(%)
Peel																			
Single	Not	2 762	2 956	2 774	2 172	2 666	(32)	2 512	2 239	1 738	2 478	2 492	2 292	(26)	3 654	2 626	4 374	3 551	(46)
Semi	appli-	2 193	1 966	1 427	1 620	1 802	(22)	1 900	1 958	1 250	1 660	1 596	1 673	(19)	2 024	726	376	1 042	(14)
Row	cable	689	881	2 431	565	1 142	(14)	1 395	3 246	2 224	2 559	987	2 080	(24)	893	920	331	715	(9)
Apartment		2 606	2 850	2 692	2 518	2 667	(32)	2 972	2 594	2 285	3 938	1 534	2 664	(31)	2 672	2 891	1 621	2 395	(31)
Total		8 250	8 653	9 324	6 875	8 277 (48)	(100)	8 786	10 037	7 497	10 635	6 611	8 709 (48)	(100)	9 243	7 163	6 702	7 703 (46)	(100)
York																			
Single	-	1 316	2 085	1 412	1 044	1 464	(52)	1 140	1 129	1 090	2 486	2 836	1 736	(53)	4 100	2 981	5 071	4 051	(85)
Semi	-	165	1 025	450	-	410	(15)	14	83	306	1 274	1 036	544	(17)	588	580	206	458	(10)
Row	-	143	314	624	846	482	(17)	218	665	317	578	644	484	(15)	355	273	14	214	(4)
Apartment	-	626	384	374	347	433	(16)	826	517	343	138	732	511	(15)	31	102	61	65	(1)
Total	-	2 250	3 808	2 860	2 237	2 789 (16)	(100)	2 198	2 399	2 058	4 477	5 248	3 275 (82)	(100)	5 074	3 936	5 352	4 788 (29)	(100)
Durham																			
Single	Not	961	1 488	677	559	921	(41)	1 063	1 561	1 301	1 262	875	1 212	(33)	1 274	1 223	2 440	1 646	(66)
Semi	appli-	309	296	382	441	356	(16)	1 125	1 003	640	458	202	686	(19)	404	273	285	321	(13)
Row	cable	181	121	453	546	325	(15)	1 442	1 598	1 127	194	110	894	(25)	24	80	276	125	(5)
Apartment		1 031	757	354	390	633	(28)	1 082	1 427	656	921	111	839	(23)	306	180	760	415	(16)
Total		2 477	2 662	1 866	1 936	2 235 (13)	(100)	4 712	5 589	3 724	2 835	1 298	3 631 (20)	(100)	2 008	1 764	3 761	2 507 (15)	(100)
Halton																			
Single	1 138	2 089	2 491	2 063	1 458	1 848	(51)	1 077	948	540	1 324	969	982	(39)	1 135	656	1 152	981	(61)
Semi	73	100	366	116	118	155	(4)	112	190	794	540	437	415	(16)	404	162	56	207	(13)
Row	381	348	700	773	496	540	(15)	836	502	626	216	184	473	(19)	190	254	127	190	(12)
Apartment	812	1 099	592	1 667	1 180	1 070	(30)	1 016	389	852	708	282	649	(26)	306	170	249	242	(14)
Total	2 404	3 636	4 149	4 619	3 252	3 613 (21)	(100)	3 041	2 029	2 862	2 788	1 872	2 519 (46)	(100)	2 035	1 242	1 584	1 620 (10)	(100)
4 Regions																			
Single	Not	7 128	9 020	6 926	5 233	7 077	(41)	5 792	5 877	4 719	7 550	7 172	6 222	(34)	10 163	7 486	13 037	10 229	(62)
Semi	appli-	2 762	3 653	2 375	2 179	2 742	(16)	3 151	3 239	2 990	3 932	3 271	3 317	(18)	3 420	1 741	923	2 028	(12)
Row	cable	1 361	2 016	4 281	2 453	2 528	(15)	3 891	6 011	4 294	3 547	1 925	3 934	(22)	1 462	1 527	748	1 246	(7)
Apartment		5 362	4 583	5 087	4 435	4 867	(28)	5 896	4 931	4 136	5 705	2 659	4 663	(26)	3 315	3 351	2 691	3 119	(19)
Total		16 613	19 272	18 669	14 300	17 214 (98)	(100)	18 730	20 058	16 139	20 734	15 027	18 136 (100)	(100)	18 360	14 105	17 399	16 622 (100)	(100)
Metro Region																			
Single	Not	10 084	11 349	8 335	6 873	9 136	(24)	7 845	7 265	6 080	9 743	9 582	8 103	(25)	12 626	9 241	16 634	12 834	(49)
Semi	appli-	5 057	5 365	3 415	3 125	4 201	(11)	4 331	4 317	4 274	5 124	4 623	4 534	(14)	4 592	2 673	1 121	2 796	(11)
Row	cable	2 725	3 536	7 513	4 531	4 384	(11)	5 693	7 546	7 236	5 265	3 877	5 910	(18)	2 611	2 536	1 351	2 166	(8)
Apartment		26 931	18 807	24 184	14 208	20 463	(54)	15 678	12 748	13 471	14 552	10 869	13 463	(42)	7 376	8 104	9 306	8 261	(32)
Total		44 797	39 057	43 447	28 737	38 184	(100)	33 547	31 876	31 061	34 684	28 885	32 011	(99)	27 203	22 736	28 412	26 057	(100)

* Total across does not include 1971 Halton completions

Source: C.M.H.C., Ontario Region Office

FIGURE 1: COMPLETIONS FOR METROPOLITAN TORONTO, THE FOUR REGIONS AND THE TORONTO REGION 1971 – 1984



SOURCE: C.M.H.C., Toronto and Ontario Region Offices, April 1985

desirability of row houses and semi-detached units for all groups. The increase in interest rates also sharply curtailed the production of row housing for rental purposes. In response both to rising land costs and the demand for detached units, municipalities increasingly revised their zoning standards and recommended lot sizes of subdivisions to permit construction of detached units on smaller lots.

This decline in the numbers and proportion of apartment completions and shift among ground related units to single detached units has continued through 1984 in the Toronto region. There were fluctuations to this overall trend last year in the four regional municipalities. Completions increased slightly from 17 399 in 1983 to 17 926 in 1984. The number of ground related unit completions declined while apartment completions increased. The development pattern in Peel was responsible for these changes (see Table 2).

Metropolitan Toronto fared less well than the surrounding regions. Completions declined to 8 300 from the previous year's total of 11 000. Production of all unit types decreased (see Table 1) and only Etobicoke experienced an increase in production, from 500 units in 1983 to 930 units in 1984, the second lowest rate of production for that municipality since 1971.

The government programs which influenced both starts and completions last year will be discussed in a later section.

2.3 Apartment Starts and Completions by Sector

There were 2 560 fewer apartment units started in Metropolitan Toronto during 1984 than in 1983 (2 881 vs. 5 441). The decline occurred in relation to all markets - private rental, social housing and condominium units (see Table 5).

The decline in private rental starts was particularly marked in the City of Toronto, the only municipality consistently attracting private rental

Table 5:

APARTMENT STARTS AND COMPLETIONS IN METROPOLITAN TORONTO

1983 and 1984

		STARTS				COMPLETIONS			
		Private Rental	Social Housing	Condominium	Total	Private Rental	Social Housing	Condominium	Total
Toronto	1983	1 362	788	264	2 414	371	1 339	501	2 211
	1984	224	638	371	1 233	769	927	210	1 906
East York	1983	0	0	0	0	0	131	0	131
	1984	0	254	0	254	0	0	0	0
York	1983	0	0	0	0	0	578	0	578
	1984	24	128	15	167	2	0	0	2
Etobicoke	1983	208	601	0	809	0	0	18	18
	1984	19	304	0	323	266	543	0	809
North York	1983	437	90	396	923	663	710	291	1 666
	1984	219	90	284	593	272	266	996	1 534
Scarborough	1983	612	393	290	1 295	685	465	861	2 011
	1984	291	0	20	311	748	339	0	1 087
Metropolitan Toronto	1983	2 619	1 872	950	5 441	1 721	3 223	1 671	6 615
	1984	777	1 414	690	2 881	2 057	2 075	1 206	5 338

Source: C.M.H.C., Toronto Office

Table 6:

SUBDIVISIONS: SUBMITTED, DRAFT APPROVED AND REGISTERED BY UNIT TYPE IN METROPOLITAN TORONTO, 1984

	Single Detached	Semi Detached	Townhouse	Apartment	Total
Toronto					
Submitted	14	0	0	0	14
Draft Approved	0	22	0	0	22
Registered	0	0	0	0	0
East York					
Submitted	-	-	-	-	-
Draft Approved	-	-	-	-	-
Registered	-	-	-	-	-
York					
Submitted	0	0	0	0	0
Draft Approved	12	0	0	0	12
Registered	0	0	0	0	0
Etobicoke					
Submitted	6	0	0	0	6
Draft Approved	0	0	0	0	0
Registered	26	0	0	0	26
North York					
Submitted	41	0	0	0	41
Draft Approved	45	0	0	0	45
Registered	23	0	0	0	23
Scarborough					
Submitted	1 420	4	722	150	2 296
Draft Approved	267	0	0	0	267
Registered	1 346	202	216	0	1 764
Metropolitan Toronto					
Submitted	1 481	4	722	150	2 357
Draft Approved	324	22	0	0	346
Registered	1 395	202	216	0	1 813

Source: Metropolitan Toronto Planning Department, 1985

construction in recent years, where production declined to 777 units in 1984.

Apartment completions in 1984 were in the average range that has prevailed since 1980 (about 5 300 units). The slight increase in private rental units is attributable primarily to units funded under the C.R.S.P. program which came into production. Social housing units, which are completely dependent on the level of federal funding available, declined by one-third, as did condominium completions.

Declines in private rental and condominium starts and completions tend to reflect market conditions. The vacancy rate for newly completed apartments has been high in recent years and reserves of condominium units is estimated to be equal to demand for the next year and a half. However, reduction in the number of social housing units coming on stream tends to put additional pressure on the decreasing stock of moderately priced units. Hopefully, the review of housing programs being undertaken this year by the federal government will result in an increase in the number of units available to low and moderate income households.

2.4 Subdivisions

Table 6 summarizes subdivision activity in each of the area municipalities. The shift from apartment development to single family units can be seen in the statistics for subdivisions submitted to Metropolitan Toronto in 1984. In the previous year, newly submitted plans proposed 724 single family lots and blocks to accommodate 1 300 apartment units. In 1984 plans were submitted for a total of 1 481 single family units (of which 1 420 were in Scarborough) and only one apartment block for 150 units, also in Scarborough. For the first time in a number of years a substantial proportion of townhouses were proposed last year.

Table 7:

CONDOMINIUMS: SUBMITTED, DRAFT APPROVED AND REGISTERED BY UNIT TYPE IN METROPOLITAN TORONTO, 1984

	Townhouse	Apartment	Total
Toronto			
Submitted	11	703	714
Draft Approval	90	1 245	1 335
Registered	123	111	234
East York			
Submitted	0	0	0
Draft Approval	8	4	12
Registered	0	0	0
York			
Submitted	0	0	0
Draft Approval	0	0	0
Registered	0	14	14
Etobicoke			
Submitted	0	0	0
Draft Approval	0	180	180
Registered	0	0	0
North York			
Submitted	4	500	504
Draft Approval	0	0	0
Registered	0	553	553
Scarborough			
Submitted	82	0	82
Draft Approval	0	20	20
Registered	118	329	447
Metropolitan Toronto			
Submitted	97	1 203	1 300
Draft Approval	98	1 449	1 547
Registered	241	1 007	1 248

Source: Metropolitan Toronto Planning Department, 1985

Of the 1 813 units on plans of subdivision registered during 1984, just over a half had received final approval in the late 1970's, perhaps indicating cautious optimism on the part of developers in bringing forward developments which had been held in abeyance.

2.5 Condominiums

Table 7 illustrates condominium activity in Metro Toronto by area municipality, unit type and development status. The 1 300 units submitted in 1984 were 1 000 fewer than in the previous year. This general slowdown of condominium activity occurred in each of the six area municipalities. There was a substantial decrease in the number of apartment units submitted on condominium plans. Townhouses remained at the levels which have prevailed in the last few years, reflecting market resistance to this form of condominium development, particularly in suburban areas. However, condominium townhouses are particularly well suited for small infill or redevelopment projects and may be expected to become a more significant component of the housing market in the older urban area.

2.6 Future Housing Supply

An estimate of the number of units which are available or can be brought on stream may be obtained by examining such indicators as units under construction, and units draft approved or registered but not developed.

The following table compiled by Canada Mortgage and Housing Corporation indicates the number of units under construction at year end since 1979. The 4 349 units under construction in Metropolitan Toronto in December, 1984 was the lowest figure for the last six years, and clearly indicates the decline in apartments and to a lesser extent, row houses over that time.

UNITS UNDER CONSTRUCTION AT YEAR END

	Singles	Semis	Row	Apartment	Total
1979	1 640	878	1 493	9 235	13 246
1980	895	636	976	6 241	8 748
1981	1 109	688	792	6 293	8 882
1982	1 170	84	369	6 641	8 264
1983	1 114	56	142	5 444	6 756
1984	1 005	94	260	2 990	4 349

These figures indicate the short term supply of housing coming on stream. However, they do not take into account units which have been completed and were still unoccupied in December. C.M.H.C. regularly calculates the availability of units under construction and completed but unoccupied and relates this data to the average monthly absorption rate of the previous yea..

The duration of supply by unit type was estimated in December, 1984 as follows:

Unit Type		No. of Months Supply
single	-	6
semi-detached	-	6
row freehold	-	16
row condominium	-	0
row rental	-	0
apartment condominium	-	17
apartment rental	-	12

Clearly, the supply of rental and condominium apartments and freehold townhouses suggests that a slowdown in starts of these units will occur in 1985.

A longer term examination of development potential in the Toronto region is provided in a study conducted by M.M. Dillon and Brethour Research Associates in 1984 entitled "Residential Land Inventory". This study examines the number of units on draft approved and registered plans of subdivision and condominium as of December, 1983. In the following table the 'fringe' areas correspond to the commutershed surrounding Metropolitan Toronto, and the Central area to Metropolitan Toronto.

UNITS AVAILABLE FOR DEVELOPMENT
(December 1983)

Area	Ground-related	Apartments	Total
West Fringe	19 834	15 417	35 251
North Fringe	13 688	3 264	16 952
East Fringe	15 434	1 369	16 803
Central (Metro)	5 885	11 367	17 252
Total	54 841	31 417	86 258

In Metropolitan Toronto about 74% of the ground related units are in Scarborough and 56% of the apartments in Toronto.

At recent rates of production these units represent about three years supply of housing in the regions and two years in Metropolitan Toronto. However, a closer look at the basis of the data suggests that while these figures have a fairly high degree of validity in the expanding suburban areas outside of Metro, they are less reliable in relation to a mature urban area such as Metropolitan Toronto. Here much of the new stock is redevelopment and does not appear on plans of subdivision or condominium. In addition, the relationship between ground related and apartment units does not appear to reflect recent construction trends.

3.0 GOVERNMENT INCENTIVE PROGRAMS

The residential construction industry has historically benefitted from a variety of incentive programs funded by the senior levels of government, designed to provide stimulus to the economy as well as increase the housing supply. During 1984 there were relatively few programs available in Ontario, although units did come on stream which had been funded under previous programs.

The Canada Rental Supply Plan (C.R.S.P.) came into effect in May, 1982 and was discontinued during 1984. The program provided 15-year interest free loans, required that units remain in the rental market for at least 5 years, and that developers offer a proportion of the units to the local housing authority for rent supplement purposes. Under the program 1 831 rental units have been constructed in Metro, of which 300 came on stream in 1984 and a further 716 have received approval and are expected to be constructed this year. However, no units came into the Rent Supplement Program because rental levels were too high. More importantly, applications for condominium status have been received for 1 300 or 72% of the units constructed in Metro. Given these results, the long term effect on the rental market appears negligible.

A somewhat analogous program came into effect in November, 1984. Under the Canada/Ontario Rental Supply Plan C.M.H.C. issued proposal calls for construction of moderate priced family housing. Ceilings were placed on rents which may be charged ($600 for a one-bedroom apartment) which is below the rents typically charged for units under the C.R.S.P. program. Up to one-third of the units are to be offered to the housing authority for rent supplement tenants. In Metropolitan Toronto in 1984 seven projects with a total of 1 144 units were funded. Construction will commence in 1985 with units ready for occupancy for 1986.

One housing program was tailored specifically for the Metropolitan Toronto market. Following the "Report of the Task Force on Housing for Low Income Single People" which was adopted by Metropolitan Council

in 1984, C.M.H.C. announced the introduction of a program which offered interest free loans of up to $12 000 per unit to permit construction of small units for singles, designed to rent in the $300 per month range. A total of 439 units have been approved, all in the City of Toronto. Construction will begin in 1985. While the rental ranges will place the units beyond the means of low income singles, they will appeal to a market which is poorly served at the present time.

In 1983 the Province introduced three programs (essentially pilot projects) designed to assist in the development and rehabilitation of low and medium priced rental stock, namely Convert-to-Rent, Conserve-a-Unit and Add-a-Unit.

The Convert-to-Rent program provided interest free loans to permit conversion of non-residential buildings to residential use. By the end of December, 1984, 58 applications had been received in Metro of which 27 projects containing 114 units had received funding. Since the target of 2 600 units in the Province has not been met, the program is still open. It was generally felt that this program and the Conserve-a-Unit program, which provided funds for rehabilitation of multiple unit buildings, were well designed to achieve their objectives, although response has been relatively slow.

However, the Add-a-Unit program which was limited in Metro to the City of Toronto and achieved less than 50% of its target, was criticized as being administratively too cumbersome. This particularly discouraged applicants as few had experience with the concept of adding a unit within their property. Not only were the first two programs less bureaucratic (approval was required only from the municipality) but the applicants themselves tended to be more experienced in the construction industry. In their present form, however, none of the three programs appear likely to add significantly to the rental housing stock. A continuation and expansion of the program merits further study by the Province for longer term application and benefit.

The only incentive program for ownership housing in effect in 1984 was the provision which allowed first time homebuyers of new housing to "top up" their Registered Home Ownership Savings Plan to $10 000 within the year of purchase. Purchasers were required to occupy the house by March, 1985 and construction had to be commenced between April, 1983 and December 31, 1984. This program did have some effect in stimulating construction but was less successful than the outright grants available in the previous year.

4.0 HOME OWNERSHIP MARKET

4.1 Residential Mortgage Rates

The major factor in renewed consumer confidence in the housing market is the moderation of mortgage interest rates. These rates showed greater fluctuation in 1984 than in the previous year (see Figure 2) but were still well below the levels of 1981 and 1982.

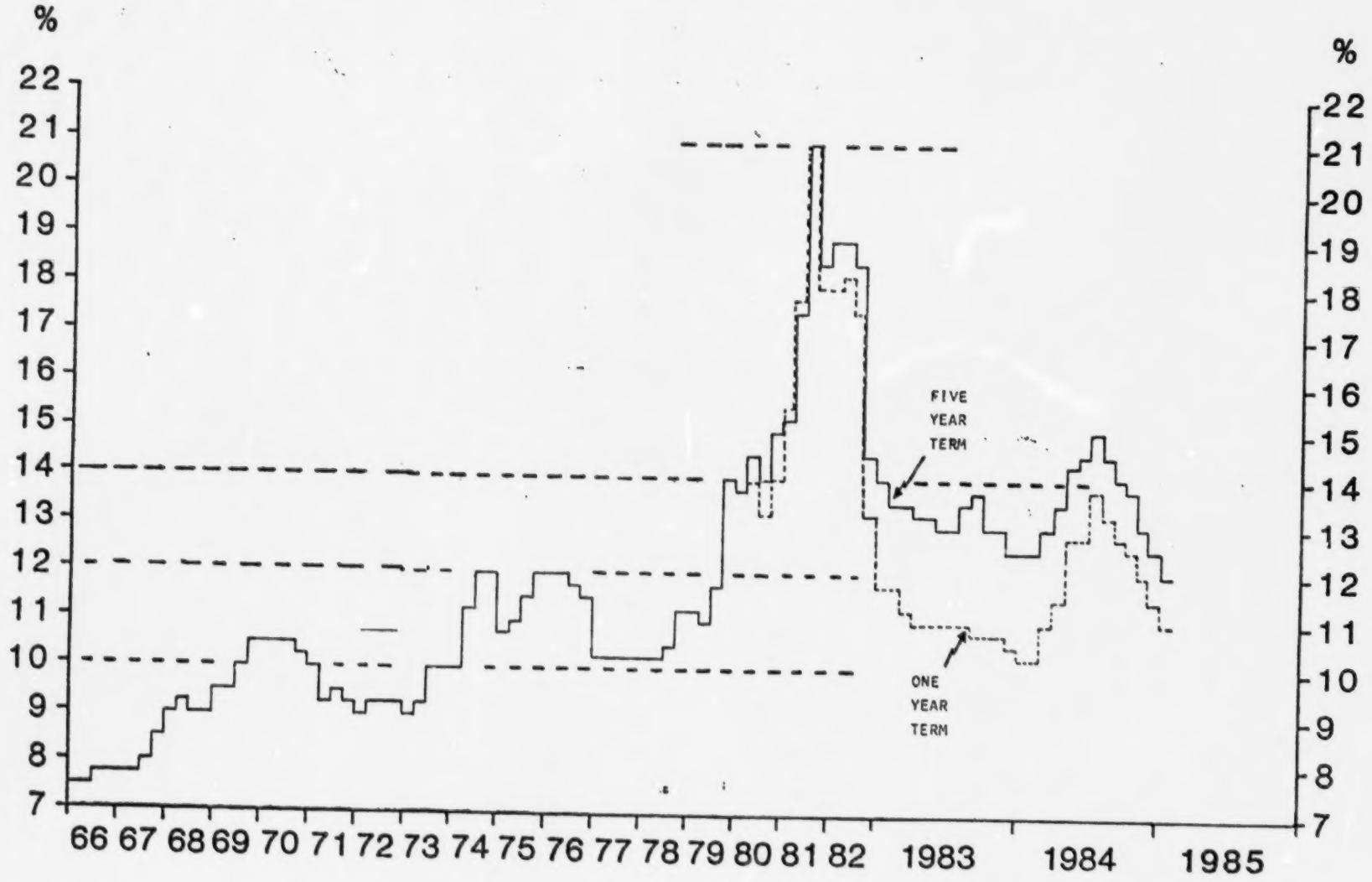
During the first few months of 1984 five-year mortgage rates were in the 12.5% to 13.5% range. Rates rose over the year to peak in July at about 15% and then decreased to 12% or 13%. Both new house starts and resale transactions slowed in July but momentum was regained as interest rates declined.

The effect of mortgage interest rates on the affordability of home ownership is illustrated on Table 8. With mortgage rates in the 12% to 13% range, about 30% of tenant households in the 25 to 45-year age bracket could afford to enter the ownership market.

Competition among the major lending institutions resulted in the introduction of a number of different mortgage payment plans. Purchasers could opt to increase the amount of payments randomly or could increase the frequency of payments to weekly or bi-weekly periods; both options had the effect of reducing the amortization period and the amount of interest paid. Flexible mortgage rates which fluctuated with interest levels continued to be available.

To provide a cushion against wide swings in interest rates similar to what occurred in 1980 and 1981, the Federal Government introduced a mortgage insurance scheme. The Mortgage Rate Protection Plan allowed a homeowner to insure a mortgage of up to $70 000 for a fee of 1.5% of the value of the mortgage. The plan provided payments to reduce mortgage costs if interest rates on renewal were more than 2% higher than the original rate. Throughout 1984 only 6 homeowners in the Toronto area and approximately 100 in all of Canada took advantage of the plan. It is not known whether the front end payment required proved

FIGURE 2: RESIDENTIAL MORTGAGE INTEREST RATES



SOURCE: Mortgage Insurance Company of Canada, 1984

Table 8:

INCOME REQUIRED FOR MORTGAGES

Interest Rate (%)	House Purchase Price				
	60,000*	80,000*	100,000*	110,000*	150,000*
9	19 060	25 220	31 370	34 550	46,660
10	20 530	27 180	33 820	37 240	50 330
11	22 090	29 250	36 410	40 090	54 220
12	23 490	31 120	38 750	42 670	57 730
13	25 020	33 170	41 310	45 480	61 560
15	28 140	37 310	46 490	51 180	69 340
17	31 290	41 520	51 750	56 960	77 220
19	34 490	45 780	57 080	62 820	85 210
21	37 700	50 070	62 440	68 720	93 260

Gross family income required to purchase a house using 25% of gross income for mortgage (25-year term) assuming 25% down payment, and taxes of $1 200, $1 400, $1 600, $1 800 and $2 000 for the five price ranges respectively.

* 25% down payment assumes $45,000, $60,000, $75,000, $82,500 and $112,500 mortgages.

Source: Metropolitan Toronto Planning Department, May 1985.

Table 9:

DISTRIBUTION OF M.L.S. SALES

IN TORONTO REAL ESTATE BOARD MARKET AREA

MONTHLY FOR 1982, 1983 AND 1984

	1982	1983	1984
January	1,508	1,902	1 591
February	1,941	2,204	2 963
March	2,124	3,236	3 485
April	2,034	2,990	2 795
May	1,897	2,856	3 223
June	1,985	2,917	3 051
July	1,793	2,367	2 384
August	1,956	2,308	2 417
September	2,456	2,453	2 319
October	2,546	2,328	2 810
November	2,720	2,436	2 842
December	2,376	2,049	2 025
TOTAL	25,336	30,046	31 905

Source: Toronto Real Estate Board, 1985

Note: Sales are for residential properties including condominiums

Table 10:

DISTRIBUTION OF M.L.S. SALES BY PRICE RANGE
IN TORONTO REAL ESTATE BOARD MARKET AREA
1983 AND 1984

Average Price Range	1984 No. of buyers	%	1983 No. of buyers	%
Less than $60,000	5 181	16.2	4,943	16.4
$60,000 - $79,999	7 399	23.2	7,420	24.7
$80,000 - $109,999	10 049	31.5	8,992	29.9
$110,000 - $149,999	5 584	17.5	5,177	17.3
$150,000 and over	3 692	11.6	3,514	11.7
	31 905	100.0	30,046	100.0

Note: Sales are for residential properties including condominiums

Source: Toronto Real Estate Board, 1985

unattractive or whether consumers could not envisage a return to high interest rates.

4.2 Sales Activity

The resale housing market set a record high in sales in 1984 with 31 905 residential transactions recorded. Table 9 indicates the distribution of sales by month for the past three years. Activity was fairly steady over the year, with the only substantial dip below the monthly average (2 640 units per month) occurring in January.

Last year there were no government programs available to purchasers of resale housing. The level of activity can be attributed to the relatively moderate mortgage interest rates and the reduced rate of inflation, factors which have influenced real estate activity since the latter part of 1982.

Table 10 indicates the distribution of sales by price range for the past three years. Houses in the $90 000 to $110 000 range now constitute the largest share of the market. However, a substantial number of sales occurred in the under $60 000 range. The majority of units in this latter range are condominium apartments and townhouses which constitute between 20% and 25% of total sales in any given month within the market area. Prices for those types of unit on the average are well below the price for single family dwellings. In December, 1984, for example, the average condominium apartment was priced at $71 470 and townhouses averaged $62 695. Obviously, the recent demand for luxury condominium apartments, particularly in central Toronto, skews the average apartment price.

The average resale unit price in the Toronto market area in 1984 was $102 318, an increase of 0.7% over the previous year and 7.1% since 1982. It is evident that some price stabilization has occurred. However, there are variations across the area. A few districts in the west end and in the central area had price increases in excess of 5.0% (see Table 11

Table 11:

AVERAGE PRICE OF MULTIPLE LISTING SERVICE SALES

IN TORONTO REAL ESTATE BOARD MARKET AREA

1983 AND 1984

District	Average Price 1983	Average Price 1984	% change
WEST			
W-1	$ 94 704	$ 97 526	2.9
W-2	90 527	92 613	2.3
W-3	69 060	70 132	1.6
W-4	82 223	86 599	5.3
W-5	78 243	78 640	0.5
W-6	84 897	89 933	5.9
W-7	116 540	121 775	4.5
W-8	119 145	128 299	7.7
W-9	96 554	96 535	(-0.02)
W-10	85 759	87 183	1.7
W-A	85 753	82 836	(-3.4)
W-B	99 478	96 234	(-3.3)
W-C	115 120	107 376	(-6.7)
W-D	102 823	105 817	2.9
W-E	-	71 000	-
WF-1	77 502	78 965	1.9
WF-2	74 451	77 923	4.7
WF-3	77 376	79 664	2.9
WF-4	118 788	116 585	(-1.9)
WEST DISTRICT	91 422	92 394	1.1
M.L.S. MARKET AREA AVERAGE	101 626	102 318	0.7

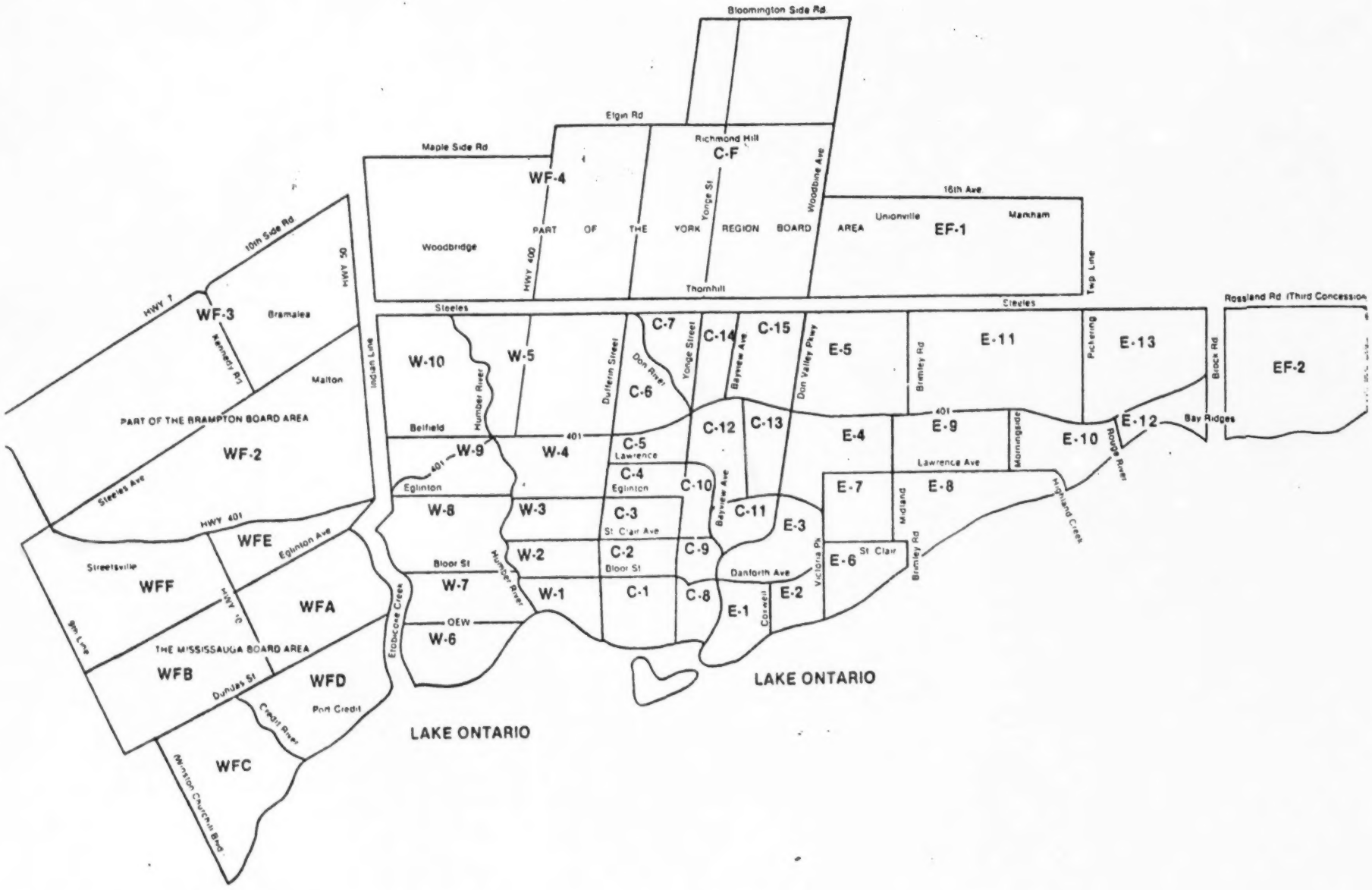
District	Average Price 1983	Average Price 1984	% change
CENTRAL			
C-1	$115 196	$106 863	(-7.2)
C-2	142 324	140 878	(-1.0)
C-3	172 281	168 117	(-2.4)
C-4	150 767	160 266	6.3
C-5	127 025	130 804	2.9
C-6	125 050	126 857	1.4
C-7	110 242	111 238	0.9
C-8	119 583	125 575	5.0
C-9	255 469	285 117	11.6
C-10	163 152	167 534	2.7
C-11	96 701	100 820	4.3
C-12	233 252	250 757	7.5
C-13	152 961	154 380	0.9
C-14	132 029	134 661	2.0
C-15	108 275	116 492	7.6
C-F	118 806	122 661	3.2
CENTRAL DISTRICT	136 105	139 769	2.7

District	Average Price 1983	Average Price 1984	% change
EAST			
E-1	$ 74 823	$ 77 383	3.4
E-2	89 781	90 565	0.9
E-3	74 362	78 324	4.6
E-4	88 904	86 562	(-2.6)
E-5	90 361	90 211	(-0.17)
E-6	82 589	84 338	2.1
E-7	80 812	82 101	1.6
E-8	89 599	90 250	0.7
E-9	88 726	90 612	2.1
E-10	109 415	110 623	1.1
E-11	84 841	87 248	2.8
E-12	75 258	77 757	3.3
E-13	85 462	86 893	1.7
EF-1	117 506	118 775	1.1
EF-2	70 450	75 676	7.4
EAST DISTRICT	87 658	88 393	0.8

Source: Toronto Real Estate Board, 1985

Note: Sales are for residential properties including condominiums

FIGURE 3: TORONTO REAL ESTATE BOARD DISTRICTS, 1985



SOURCE: Toronto Real Estate Board

and Figure 3). However, prices in some districts actually declined. The central district, on the whole, had the largest increase (2.7%) but this was located generally in the area north of Eglinton; prices in the southern part of the district tended to decline.

The West district, with an average price of $92 390, increased only 1.1% over the 12 month period. The East district was relatively stable with an increase of only 0.8%, bringing the average price to $88 390. Average prices do not necessarily give an accurate picture of the market because higher priced homes (i.e., over $200 000) tend to skew the price upwards. The median price, which indicates the mid-point in sales, is a more accurate reflection of market availability. During 1984 the median unit sale price was $88 000, approximately 14% below the average price.

At the end of December 13 025 units were listed for sale by real estate board members.

4.3 Condominium Market

Throughout 1984 condominium sales constituted roughly 20%-25% of M.L.S. sales within the Toronto market area. As previously mentioned, the average price of condominium units is considerably below the average for ownership housing as a whole. Approximately one-third of condominium sales are in the 50 to 60 thousand dollar range.

A feature of the condominium market in recent years has been the production of large, luxury units, primarily in the City of Toronto but increasingly in well located suburban areas. The market for these units which appeared to be primarily affluent "empty nesters", has become uncertain and developers are building units aimed at other specific market groups.

During 1984 several projects were marketed in the downtown at prices ranging from $75 000 to $125 000. These units are typically 630 to 1 000 square feet in size and are apparently geared to affluent singles and

empty nesters unwilling or unable to enter the market for larger luxury units.

Several developers are also experimenting with projects aimed specifically at present homeowners in a particular geographic area. A small, modestly priced development is being marketed in the east end of Toronto and a more expensive one in north Toronto.

To offset the decline in condominium apartment starts, developers will increasingly gear their product to specific submarkets. It is suggested that singles, and empty nesters owning a house just above the average price range, may increasingly become the target for condominium development. These groups may in increasing numbers find the small, more moderately priced luxury condominium unit an attractive ownership option for a number of reasons related to life style. It is early to predict the long term significance of this on the housing market and further study appears warranted.

5.0 RENTAL MARKET

5.1 Private Rental

Apartment construction by municipality and sector was reviewed in Section 2.0. This indicated that, while completions in 1984 increased due primarily to government programs in effect in 1983, private starts declined to an all time low of 777 units. Of these, 291 were funded under the C.R.S.P. program and have subsequently received draft approval for condominium status. These units together with the starts of 1983 that are seeking condominium status (a total of 1 336 units) will be available to the ownership market in five years (1988-89) when the mandatory rental period of the program will expire. In addition, there is some possibility of losing the remaining 1 200 units funded under the program, depending on the condominium conversion standards in the municipalities in which they are located.

5.1.1 Vacancy Rates

Vacancy rates in the Toronto Census Metropolitan Area declined in 1984 for all apartment sizes except bachelor apartments in East York and North York. In fact, all unit sizes in all Metro municipalities had vacancy rates below 1.0%, except bachelor apartments in North York which were marginally above that figure (see Table 12).

Outside of Metropolitan Toronto, Brampton was the only municipality where the vacancy rate exceeded 3.0%, the figure often suggested as being necessary for the operation of a healthy rental market. In recent years, Brampton has been the recipient of a significant proportion of units constructed under the various incentive programs funded by the senior levels of government.

However, vacancy rates in recently constructed units are considerably above the market averages, as indicated below:

Table 12:

VACANCY RATES FOR APARTMENTS IN TORONTO C.M.A.

OCTOBER 1983 AND 1984

MUNICIPALITY	BACHELOR			1-BEDROOM			2-BEDROOM			3+ BEDROOM			TOTAL		
	Oct. '83	Oct. '84	12 mo. change	Oct. '83	Oct. '84	12 mo. change	Oct. '83	Oct. '84	12 mo. change	Oct. '83	Oct. '84	12 mo. change	Oct. '83	Oct. '84	12 mo. change
Toronto	1.0	0.9	-0.1	0.5	0.4	-0.1	0.9	0.6	-0.3	1.2	0.6	-0.6	0.7	0.6	-0.1
East York	0.0	0.2	0.2	0.1	0.2	0.1	0.2	0.1	-0.1	0.1	0.3	0.2	0.1	0.2	0.1
York	1.2	0.8	-0.4	0.5	0.3	-0.2	0.5	0.4	-0.1	0.3	0.7	0.4	0.6	0.4	-0.2
Etobicoke	0.7	0.0	-0.7	0.2	0.0	-0.2	1.3	0.3	-1.0	2.5	0.4	-2.1	1.1	0.2	-0.9
North York	0.6	1.2	0.6	1.4	0.4	-1.0	0.6	0.3	-0.3	0.4	0.2	-0.2	0.9	0.3	-0.6
Scarborough	0.2	0.0	-0.2	0.5	0.3	-0.2	0.7	0.3	-0.4	1.5	0.4	-1.1	0.7	0.3	-0.4
Metro Toronto	0.6	0.8	0.2	0.7	0.3	-0.4	0.7	0.4	-0.3	1.1	0.3	-0.8	0.8	0.4	-0.4
Mississauga	1.2	0.6	-0.6	1.6	1.4	-0.2	3.4	1.9	-1.5	2.8	1.6	-1.2	2.6	1.7	-0.9
Brampton	0.0	0.0	0.0	3.1	2.2	-0.9	2.9	3.6	0.7	3.8	3.7	-0.1	3.0	3.1	0.1
Richmond Hill	0.0	0.0	0.0	0.4	0.2	-0.2	0.4	0.1	-0.3	0.0	1.3	1.3	0.3	0.2	-0.1
Ajax	-	-	-	0.0	0.0	0.0	0.0	0.2	0.2	6.8	2.3	-4.5	2.2	1.2	-1.0
Aurora	0.0	0.0	0.0	0.5	2.0	1.5	0.2	0.2	0.0	0.0	0.0	0.0	0.3	0.5	0.2
Markham	0.0	0.0	0.0	1.2	1.0	-0.2	0.0	0.2	0.2	1.9	0.0	-1.9	0.6	0.5	-0.1
Oakville	2.3	0.0	-2.3	0.7	0.0	-0.7	0.3	0.3	0.0	0.3	0.2	-0.1	0.5	0.2	-0.3
Vaughan/King/Caledon	-	0.0	-	-	0.0	-	-	0.0	-	-	0.0	-	-	0.0	-
Metro Toronto C.M.A.	0.9	0.8	-0.1	0.8	0.5	-0.3	1.1	0.7	-0.4	1.5	0.6	-0.9	1.0	0.6	-0.4

Source: C.M.H.C., Toronto Office

Note: Ajax - includes Pickering
Aurora - includes Newmarket, East Gwillimbury and Whitchurch-Stouffville

VACANCY RATE - RECENTLY CONSTRUCTED UNITS 1983 and 1984

Time on Market	Vacancy Rate 1984	Vacancy Rate 1983
18 months or longer	0.5%	0.7%
6-18 months	7.5	17.6
less than 6 months*	26.2	49.8

The fairly significant drop in vacancies in recently completed apartments over the previous year, together with the decline in starts in 1984 suggest that the rental market may be increasingly tight this year, a cause for continuing concern in Metropolitan Toronto.

5.1.2 Rental Rates

As part of the semi-annual apartment survey, C.M.H.C. examines rents in the private sector in each municipality of the Toronto C.M.A. by unit size. Table 13 indicates that, on average, rents in Metropolitan Toronto and the surrounding municipalities varied by 5% to 6% between 1983 and 1984. This is in line with provincial rent review limits of 6%. The across-the-board decrease in unit rental rates in East York is somewhat puzzling and may result from a larger proportion of rent controlled units being included in the survey.

Rents in municipalities outside of Metropolitan Toronto are, in some instances, higher than in Metro. This results primarily from the fact that a larger proportion of the units are relatively new. These municipalities have a much smaller stock of older, rent controlled units which, in Metropolitan Toronto, tends to obscure the high rent levels of the newer stock.

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* Units which have been on the market less than 6 months are excluded from the overall vacancy rate survey as reported on Table 12.

Table 13:

AVERAGE RENTS FOR APARTMENTS IN TORONTO C.M.A.

OCTOBER 1983 AND 1984

MUNICIPALITY	BACHELOR			1-BEDROOM			2-BEDROOM			3-BEDROOM		
	Oct. '83	Oct. '84	% change	Oct. '83	Oct. '84	% change	Apr. '83	Apr. '84	% change	Apr. '83	Apr. '84	% change
Toronto	316	340	7.5	397	423	6.5	498	531	6.6	627	671	7.0
East York	340	324	-4.7	392	375	-4.3	493	455	-7.7	595	585	-1.6
York	271	301	11.0	340	373	9.7	426	456	7.0	506	510	0.7
Etobicoke	292	272	-6.8	363	381	4.9	449	469	4.4	541	574	6.0
North York	332	355	0.9	373	396	6.1	434	458	5.5	519	539	3.8
Scarborough	319	326	2.1	368	400	8.6	429	465	8.3	505	548	8.5
Metropolitan Toronto	315	335	6.3	381	402	5.5	452	475	5.0	535	562	5.0
Mississauga	279	293	5.0	391	422	7.9	464	503	8.4	521	552	5.9
Brampton	285	291	2.1	392	415	5.8	462	497	7.5	522	575	10.1
Richmond Hill	309	296	-4.2	375	395	5.3	426	462	8.4	582	661	13.5
Ajax	-	-	-	311	329	5.7	442	458	3.6	552	585	5.9
Aurora	215	225	4.6	338	367	8.5	394	430	9.1	452	449	-0.6
Markham	238	288	21.0	329	348	5.7	368	386	4.8	435	454	4.3
Oakville	270	286	5.9	360	387	7.5	432	475	9.9	535	574	7.2
Vaughan/King/Caledon	288	-	-	323	352	8.9	343	439	27.9	-	-	-
Metro Toronto C.M.A.	313	333	6.3	382	404	5.7	453	479	5.7	534	562	5.2

Source: C.M.H.C., Toronto Office

Note: Ajax - includes Pickering
Aurora - includes Newmarket, East Gwillimbury and Whitchurch-Stouffville

The Ontario Residential Tenancy Commission had fewer applications before it in the past fiscal year than in the 1982-83 period, however, more units were affected by the process. Last year there were 848 applications affecting 54 811 units compared to 1 135 applications affecting 51 412 units a year earlier.

In the 1983-84 fiscal year the average rent increase requested through the Commission was 19.73% while the average amount granted was 9.82%, almost 4.0% less than in the previous year. Overall, rent increases requested were lower last year in that 42% of applicants requested increases below 10% and only 2% requested increases above 30%. In the previous year only 18% of requests were below 10% and 15% above 30%.

Metro Toronto accounted for a third of the hearings representing half of the units before the Commission and the proportional increases requested and granted were almost identical to the provincial averages.

5.2 Social Housing

As indicated in Section 2.0, social housing completions declined substantially from 3 740 units in 1983 to 2 075 units in 1984. The greatest reduction occurred in completions by co-operative and private non-profit agencies (see Table 14). A further reduction in completions is expected in 1985 due to the decline in starts last year.

The targets for assisted housing units adopted by Metropolitan Council in 1984 as part of the recommendations of the "Assisted Housing Study" include only those units available on a rent-geared-to-income (R.G.I.) basis and were expressed in terms of senior and family units. In Ontario, under the "56.1 program" of the National Housing Act, only 25% of family and up to 50% of senior units may be made available on an R.G.I. basis. Some difficulty exists in determining the precise breakdown of family and senior units allocated to the co-ops and private non-profit corporations. However, it is estimated that social housing completions

Table 14:

SOCIAL HOUSING COMPLETIONS IN METROPOLITAN TORONTO, 1984

	Metropolitan Toronto Housing Co. Ltd.		City of Toronto Housing Dept.		Co-operatives and Private Non-Profits		TOTAL Socially Assisted Housing #	%
	1984	1983	1984	1983	1984	1983	1984	1983
Toronto	47	208	372	420	508	774	927	1 402
East York	0	0	0	0	0	131	0	131
York	0	306	0	0	0	272	0	578
Etobicoke	416	0	0	0	127	0	543	0
North York	176	181	0	0	137	529	313	710
Scarborough	0	165	0	0	496	754	496	919
Metropolitan Toronto	639	860	372	420	1 268	2 460	2 279	3 740

Source: C.M.H.C., Toronto Office

Table 15:

WAITING LISTS FOR ASSISTED HOUSING IN METROPOLITAN TORONTO DECEMBER 31, 1984

	Senior Applicants		Family Applicants		Single (under 60) Applicants	
	1983	1984	1983	1984	1983	1984
Metropolitan Toronto Housing Co.	1 938	1 818	**	672	*	105
Metropolitan Toronto Housing Authority	408	353	6 083	4 391	*	364
City of Toronto Housing Department	*	851	5 088	3 224	*	1 719
Total	2 346	3 022	11 171	8 287	*	2 188

* These figures were not available for 1983. Last year the family and singles under 60 were combined.

** The 1983 waiting list data from M.T.H.C. included market as well as R.G.I. applicants and is therefore not comparable to 1984 data.

Source: Metropolitan Toronto Housing Co. Ltd., January, 1985

in Metro yielded 160 R.G.I. senior units and 540 R.G.I. family units. This is considerably below the annual targets adopted by Metropolitan Council (i.e., 600 and 1 400 respectively). The targets are as follows:

METROPOLITAN COUNCIL'S ASSISTED HOUSING TARGETS

	Senior		Family	
Municipality	5-Year	Annual Average	5-Year	Annual Average
Toronto	685	137	2 070	413
East York	580	116	620	124
York	25	5	635	127
Etobicoke	945	189	1 180	236
North York	1 080	216	1 320	264
Scarborough	-	-	1 175	235
Metro	3 000	600	7 000	1 400

While it was not anticipated that these targets would be achieved uniformly on an annual basis, it is evident that some catch-up would be required in social housing production over the next four years if the five-year targets are to be met.

In addition to the slowdown in production of social housing, approximately 200 R.G.I. units have been lost since 1981 from the rent supplement program administered by the Metropolitan Toronto Housing Authority, due to non-renewal of contracts with private developers.

Table 15 indicates the number of applications before public housing agencies for R.G.I. units in Metropolitan Toronto. Some duplication of applications exists. Comparison of the lists suggests that approximately 475 households applied to more than one agency, of which about three-quarters were family households. No information is available on waiting lists maintained by the individual co-op and non-profit companies.

The agencies have revised their method of recording applicants. As a result the breakdown into client groups is not comparable between the two years. However, the total number of applications remained stable over the two year period. There may, in fact, have been a slight decline in applicants for family units because no figure was recorded in 1983 for M.T.H.C. Taking into account the slow rate of production and relatively slow turnover rate, it is evident that the housing situation for low income tenants in Metropolitan Toronto is worsening.

6.0 CONCLUSIONS

The shift in emphasis from production of apartments to ground related (primarily single family detached) housing has been a trend in the Toronto Region for the last decade. The demand for family housing puts Metropolitan Toronto at a disadvantage in relation to the rest of the region due to the increasing scarcity of vacant land available for development in this municipality. The demand for ground related housing is expected to continue into the 1990's until the "baby boomers" have moved through the family formation stage.

The decline in the number and proportion of rental apartment units does not relate to a decline in demand (as indicated by the low vacancy rate) but to the reduced economic viability of new units in the rental market. Government incentive programs, particularly those geared to the private rental market, have had limited success in producing adequate numbers of well targetted units. The dual problems of the outward movement of the housing market in response to the demand for ground related units, coupled with the difficulty of meeting demand for rental accommodation within Metropolitan Toronto are unlikely to be resolved in the near future.

In order to ensure the efficient use of existing infrastructure in Metropolitan Toronto and the availability of a supply of housing which meets market demand various measures will be required. These include the increased targetting of ownership housing (particularly medium and higher density condominiums) to specific market groups based on emerging demographic trends; the availability of subsidy programs from senior levels of government to provide housing for those not able to compete in the prevailing rental market; incentives from all levels of government to encourage the more efficient use and rehabilitation of existing stock for both the rental and ownership markets; and, the encouragement of moderate density infill housing suitable for families, not only in the older urban area but also in the post-war suburbs.

There are indications that private industry is beginning to respond to these more specialized demands. The three levels of government must equally examine their own ability to respond to the more complex housing market of the 1980's.